

Unit I:

Introduction to Entrepreneurship

Introduction to Entrepreneurship (Functions, Need and Importance)

Most of you may already know that an entrepreneur is someone who starts his/her business or own venture. But, in the present time, entrepreneurship is not just about starting your new venture; instead, it is all about how you innovate to solve problems, focus on the future, learn to add value, and bring in a local as well as global perspective. The concept of entrepreneurship has more serious significance as it is a potent economic force in the world. The word 'entrepreneurship' that captured our attention during the 1990s has now filled almost every aspect of business thinking and business planning.

Entrepreneurship is described as a unified process of creativity, risk-taking, and planning. The term 'Entrepreneur' was first coined by the French economist Jean-Baptiste around 1800. Oxford Business and Management (5 ed.) defines entrepreneurship as "An individual who undertakes to supply a good or service to the market for profit; usually invests capital in the business and takes on the risks associated with the investment; in a modern capitalist economy his initiatives are regarded as an important element in creating a society's wealth; governments are therefore led to establishing conditions in which they will thrive."

Unlike a few decades ago in India, in the present time, being a successful entrepreneur is the most brilliant career option anyone can dream of. However, different people have defined and explained entrepreneurship in various manners. Some writers argue that setting up a new business or simply owning a small firm can be termed entrepreneurship. At the same time, others disagree with this classification. They feel that if a firm is not innovative in its products or processes, we cannot call it entrepreneurship. Again, other groups of writers identify entrepreneurship through seeking opportunistic and innovative pathways while transforming an existing firm or organization instead of newly setting it up. This course uses the term 'entrepreneur' to describe men and women who freshly set up a business and manage everything, from product design to everyday operations innovatively. To sum up, 'entrepreneurship' is defined as combining all business-relevant activities that an entrepreneur has to perform to set up and nurture the firm.

1.2 Entrepreneurship and its Relevance

One of the most apparent reasons why entrepreneurship is needed in every country is for economic as well as social development and growth. Entrepreneurship opens up multiple new roads to explore novel opportunities, keeping pace and promptness with innovations. Modern technology and globalization have strengthened our understanding of entrepreneurship in contemporary business. Empowering people through entrepreneurship to see opportunities instead of challenges can help any nation-state become an impactful member of the global economy. Any entrepreneurial action begins with the highest quality of persistence, orientation toward achievement, entrepreneurial intelligence, and hard work that help individuals make the best use of vital resources for the available opportunities.

Entrepreneurs change national or international views on markets, industries, and economies by inventing and innovating new technologies, products, delivery systems, and creating new organizations. For example, it is the entrepreneurial zeal among a large number of youths in Silicon Valley, California, during the last few decades of the twentieth century that has changed the history of communications and connectivity that we all live and enjoy these days.

It can be said that entrepreneurship is important because it accelerates and fosters: -

- **Economic development**
Entrepreneurship strengthens the economy of a country by bringing in innovation in commercial terms and by fostering new markets to be developed by introducing new products or services
- **Regional development**
By nurturing local businesses and ideas, generating jobs and income, entrepreneurs bring in an improvement through innovation, human capital, welfare systems, and infrastructure.
- **Change and inclusive development**
As entrepreneurs are constantly trying to adapt to the changing situation, engaging advanced technology, altering environments, and accepting differences in society, inclusivity and improvement occur faster.
- **Problem solving and innovation**
Entrepreneurship brings new ideas, new technologies, new products, new markets, and through that, solve the genuine problems of customers.
- **Employment generation**
Entrepreneurs are job creators and create many new job opportunities by recruiting people to support their enterprises.
- **Social Benefit**
Entrepreneurs nurture a better quality of life and social growth through innovation, problem-solving, and employment generation.

EXAMPLES

1. The story of Sanjeev Bikhchandani, founder of Naukri.com, depicts how he has observed the behaviours of professionals and identified an opportunity for entrepreneurship. Sanjeev Bikhchandani, who pursued an MBA from IIM Ahmedabad and started working at Hindustan Milkfood Manufacturers (HMM), observed the behavior of working professionals at all levels. While working at HMM, he often saw his colleagues skim through magazines and newspapers that contained job listings. Although they were already employed, they were still curious to know the options available out there. Many of his colleagues also received calls from head-hunters at least twice or thrice a week for jobs that were not advertised anywhere. After keenly observing this pattern and talking to some people in the office, Sanjeev thought he must figure out how to market these jobs. For this, he realized that he would have to create a database of jobs.

Soon, he quit his job and started two companies in partnership with his friend, 'Info Edge' and 'Indmark.' Ultimately, the two partners split up, and Sanjeev took info Edge.

The next step for him was learning and deeply understanding technology and the World Wide Web. With this, he launched Naukri.com, the first India-based job portal. By the third year of its operations, Naukri.com earned a turnover of INR 3.6 million.

2. The story of Mansukhbhai Prajapati depicts innovation in entrepreneurship, where he identified an opportunity for viable business by solving the problems of rural India. He transformed his family's struggling pottery business to produce the Mitticool range of new earthenware, including a fridge that works without electricity. The Mitticool refrigerator is made of mud/clay, works without electricity, and is easily affordable. Rigorous experimentation went into his work on the Mitticool refrigerator. The special terracotta clay used is baked at 1,200 degrees Celsius to harden it. Like any clay pot used to cool water, the fridge works by keeping the inside temperature 10 degrees lower than the outside. The fridge costs between Rs. 3,000 to Rs. 3,500. As it works without electricity, it is advantageous in villages that experience frequent power cuts.

3. The venture of Aditi Gupta, Co-Founder of Menstrupedia, shows how interest in improving society can be an entrepreneurial idea. Aditi started her journey with the intention to bring social change against misconceptions, social biases, and prejudices related to female menstrual health and hygiene. In 2014, she was on the Forbes India 'Under 30' list for her determination to remove the social taboo. Today, Menstrupedia is used in more than 6,000 schools in around 14 languages. Aditi is a social entrepreneur working towards raising awareness and removing misinformation about female health and hygiene.

4. Entrepreneur Sachin Bansal undertook the journey of a bold risk-taker. He started as a co-founder of Flipkart and then exited following the Walmart deal. In 2018, Bansal founded BACQ Acquisitions Private Limited, a venture that is focused on building and acquiring technology-driven businesses across different business verticles.

5. The grocery store owner, the vegetable vendor, the newspaper distributor, the laundry service, the tea shop, etc., around you, are also successful businesses that happen. They may not be exhibiting innovation in their product, services, or business model, but they are risk-takers to a large extent. They take risks up to their own potential and level.

1.3 How Do We Define an Entrepreneur

How Do We Define an Entrepreneur? To answer this question, you need to understand the growing phases of entrepreneurship theories. In general, an entrepreneur is a person who develops, owns, and is responsible for setting up a business or enterprise, or venture.

Entrepreneurs are described as follows:

Joseph Schumpeter, an Austrian political economist, describes entrepreneurs as innovators: “Entrepreneurs are innovators, who use the process of entrepreneurship to shatter the status quo of the existing products and services, to set new products, new services.”

French economist Richard Cantillon emphasises the risk-taking behaviour of an entrepreneur: “As a person, who pays a certain price to a product to resell it at an uncertain price, thereby making decisions about obtaining and using the resources while consequently admitting the risk of the enterprise.”

Peter F. Drucker, an Austrian-American management consultant, and educator, says that a professional who mobilises resources and allocates them to make a commercial gain is also called an entrepreneur: “An entrepreneur is one who always searches for changes, responds to it and exploits it as an opportunity. He believes in increasing value and consumer satisfaction.”

A look into the history of entrepreneurship can help you to identify an entrepreneur through multiple views. Broadly, you can see them through three different lenses. The first defines entrepreneurs by their role or function in the economy. Next, you can identify entrepreneurs by the kind of behavior they perform to remain worthwhile in the mission. And thirdly, the description of entrepreneurs is done by the personality traits they possess. However, all these classifications are not separate from each other and so overlap to a great extent. Let us explain entrepreneur, entrepreneurship, and entrepreneurial perspectives through these three broad views.

Entrepreneurship and Economy: This theme can be shown by an earliest day’s example. You know about Marco Polo, who had attempted to find trade routes to the Far East. In his model, Marco Polo would connect the capital provider with the merchant–adventurer by signing a common contract (loan with high interest and insurance) where the 3:1 profit-sharing formula was applied. Here, the most significant economic function an entrepreneur has to play is taking a calculated risk. In 1755, i.e., about a quarter of a millennium ago, an eminent French economist Richard Cantillon observed the differences between supply and demand that an entrepreneur as merchant or farmer realizes by talking about the risk of buying at a specific price and selling at a certain an uncertain price. During the post-middle-age period, generally, a person who bore the uncertainty and the operational risk by initiating a venture was termed as an entrepreneur.

The economic identity of an entrepreneur got clearer during the nineteenth century. The emergence of large organizations and inventions across the world gave entrepreneurs a new character where they took individual risks by paying for material, land, and personnel.

In the twentieth century, the entrepreneur’s role became more detailed, from identifying risky opportunities to accomplishing them tactfully while improving the efficiency of the economy. Entrepreneurs began to be considered as the forerunner of national economic development. Economists brought different viewpoints, and among them, Joseph A. Schumpeter’s contribution by connecting entrepreneurial innovation with economic growth is at the forefront. In summary, broader segmentation across economic functions can be:

1. Entrepreneur: Who takes risks
2. Entrepreneur: Who allocate resources
3. Entrepreneur: Who innovates

Entrepreneurship and Behavior: The behavioral theory challenges the personality aspect of entrepreneurship. Here entrepreneurs are defined by their actions rather than personality traits. More specifically, an entrepreneur is recognized through entrepreneurial activities and primarily by entrepreneurship itself. It is more about what they do rather than who they are.

This view of entrepreneurship begins with a persistent pursuit of opportunity identification, which ends through achieving his or her entrepreneurial goals, accompanied by rewards. One cannot outline entrepreneurial behavior through a single behavior. Instead, an entrepreneur has to perform a range of behavior, including managerial, administrative, strategic, to utilize different resources needed for the venture's success.

According to Peter Drucker (1986), changes are expected as our society is ever-evolving, and new opportunities are ceaseless. Hence, you can learn entrepreneurship because it emerges primarily by nurturing life lessons and experiences. Therefore, any part of the society or economy can be entrepreneurial.

Entrepreneurship and Personality: There is yet another way to understand an entrepreneur. Over the years, many entrepreneurship scholars tried to link person and personality traits to entrepreneurship. To do that, the authors make an effort to explain entrepreneurs with specific unique human characteristics. Samuel Smiles' book "Self Help" (1859) was the first and most celebrated book discussing specific key entrepreneurial attributes. Although this book was based on storytelling, it upholds certain human-psychological traits such as conscientiousness, courage, perseverance, patience, self-discipline, self-learning, integrity, and self-respect as entrepreneurial. In recent times, focused and elaborate research has concentrated on why only a few people in any society start firms. In contrast, many others don't even act on opportunities under similar circumstances. It is frequently noted that entrepreneurs have high achievement orientation, which requires calculated risk-taking ability. Achievement orientation further results in an affirmative approach that helps control the working environment where an entrepreneur can function in detail. The over or under-representation of certain personality traits among entrepreneurs can be manifested through his or her ability to develop a network of social relationships. Subsequently, it helps in understanding how individual entrepreneur responds in different circumstances. So alongside many other factors to describe the success of entrepreneurial behavior, the influence of the personality dimension cannot be ignored.

Evolution of Entrepreneurship in India

You need to understand entrepreneurship with respect to the Indian scenario. Entrepreneurship is the process of starting, establishing, and enlarging an enterprise that produces and markets goods and/or services. It is a creative act. Its success also depends on how facilitating and encouraging (pro-entrepreneurial) environment exists in the country. Moreover, its significant impact is very crucial for developing a sustainable and growing economy. While achieving personal career goals such as financial attainment, self-fulfillment, and social identification, entrepreneurship involves Govt., and its institutions like education, planning, commerce, etc., corporate bodies, and society at large. In recent times, India sees a growth in the government's effort to promote entrepreneurship development both in sustenance and transformational contexts. While sustenance can add up mass, transformational (innovative entrepreneurship) shall happen through attitude change that attempts to find unique opportunities and then derive benefits from them. Young entrepreneurs with knowledge-intensive venturing offer new hopes with a rising number of startups. Through comparatively easy access to financial supports and other institutional help, today's budding entrepreneurs (especially 'technopreneurs') have proven the courage to sustain themselves in the Indian entrepreneurial climate and across the globe. This also underlines the importance of the Indian Institute of Technology (IITs) as the 4th prominent entrepreneurial university in the world, according to Unicorn League (2016).

In today's India, you will see youths with relevant talents. They do not shy away from converting their acquired knowledge into smart products and services. Moreover, these vibrant and dynamic youths aspire to be world leaders in the respective goods and services they have identified, discovered, evaluated, and marketed. Unlike the past, expectations no longer limit youngsters to only own successful small ventures (MSME); instead, they aspire to lead with their dream startups and Unicorns (It is a privately held startup company valued at over \$1 billion). By attracting allies who can share funds and technology through venture capital management firms, a significant number of Indian Unicorns have become global players.

In recent times, with comprehensive government efforts to enhance India's entrepreneurship quotient, be it new-age Unicorns or traditional MSME, the enthusiasm is visible. With reports like "States' Startup Ranking 2019" and "MSME Annual Report 2019-20," it is seen that the Government is focused on developing a sustainable entrepreneurial society at large. To advance a healthy competitive entrepreneurial ecosystem, recently GOI's state-wise startup and MSME ranking can be interesting to understand typical MSME-entrepreneurship and startup-

entrepreneurship. However, they have many similarities, demand a deeper understanding of the subject of entrepreneur and entrepreneurship.

3. Entrepreneurial Persons

The question that may often come to your mind is — how to recognize an entrepreneur. You can identify a person with his or her personality traits and attributes. Now, let us first understand how both personality traits and personal attributes differ from each other. Traits are highly deep-rooted personal characteristics that most people are born and die with. Although it is not true that they are unchangeable, but learning and unlearning your personality trait is extremely difficult and often fails. It's quite impossible to alter an 'exceedingly shy' girl to a 'super bubbly' girl. An attribute can be directly linked to a particular behavior. We identify certain behaviour through its attributes, i.e., how someone will respond in a given situation or how specific behavior expects someone to respond. Unlike traits, attributes are not ingrained. Hence, attributes are learnable as well as unlearnable over time. For example, motivation or being innovative can be a great example of entrepreneurial attributes, and they can be learned.

Competencies and Characteristics of an Entrepreneur

Over the years, scholarly inputs from generations of authors and researchers have helped us identify the personality traits most specific to an entrepreneurial person. They can be listed as Optimism, Achievement Orientation, Risk Tolerance, Innovativeness, Self-efficacy, Passion, Creativity, and Locus of control. Some different characteristics such as Narcissism, Machiavellianism are also found to be associated with entrepreneurs.

Optimism

Opportunity search is the first step towards entrepreneurship. When someone meets a feasible opportunity, it is his/her sense of optimism, that either infuses or defuses the decision regarding whether to use or let the particular opportunity go. Here optimism works through a goal-directed mechanism that encourages the individual entrepreneur to persist in continuous efforts in attaining certain career goals. An optimistic person may see positivity in a mundane situation, whereas any individual lacking this characteristic will frequently complain against the odds. Realistic optimism instigates individuals with psychological well-being, higher levels of adaptability, and personal accomplishments through optimal functioning.

Achievement Orientation

This particular trait continuously activates new challenges to conquer successfully. Achievement orientation encourages entrepreneurs to perform in a challenging and competitive environment while consistently improving their performances to overcome obstacles. In order to sketch the psychographic profile of an entrepreneur, it is undoubtedly agreed that

achievement orientation is a commonly found characteristic. Achievement orientation as an entrepreneurial trait drives strong motivation that subsequently helps individuals to overcome interferences. Need for success from his/her entrepreneurial efforts incite individuals with higher-order achievement orientation.

Risk Tolerance

While choosing an entrepreneurial career, an individual's risk tolerance capability or ability to take responsibility for any kind of loss inclines him/her toward entrepreneurship. You can reflect one's risk tolerance level through his/her tendency to preserve an effort where returns could be highly uncertain or inexact. Having higher risk tolerance will make you feel more assertive about a preferred task. It is the probability function or an individual's disposition towards risks, including personal and financial risk. Further, as an entrepreneur has to take excessive risk unfailingly, individuals with high risk-taking tendencies would feel more comfortable in uncertain situations. He/she will be successfully able to split a potential risk into opportunity, financial, family and social cost, etc.

Innovativeness

Innovation is one of the core concepts of entrepreneurial spirit. Schumpeter (1934) recognized its strong existence for entrepreneurial success. Although this association between innovation and entrepreneurship is undeniable, invention/innovation does not always result in economic success. Instead, it is the market-oriented innovation that defines entrepreneurs. For an entrepreneur, innovation is introducing new ways of production, a new market for a product, new product/s, or new sources of raw material. As a personality trait, innovativeness accompanies any entrepreneurial effort right from searching opportunity and idea generation to implementation.

Self-efficacy

Self-efficacy defines individual level efficiency or accuracy while performing tasks, especially stressful ones. Entrepreneurial self-efficacy is an individual's belief in his/her capability to perform tasks. The interaction between self-efficacy and entrepreneurship is always found to be strongly positive. Any individual with a low key in efficacy quotient may find it hard to be entrepreneurial. As the journey of being an entrepreneur is turbulent, individual-level efficacy in various entrepreneurial tasks ignites his/her sense of coping behavior and sustenance despite difficult and uncertain situations.

Passion

Other than usual feelings, passion reflects a distinct type of intense feelings. When it comes to entrepreneurship, being highly passionate about the chosen career path is utmost desirable. Being passionate about the product or services you are offering to your customer can take you to a whole new world of love for the tasks associated with it. Detecting passion may likely result through optimizing enthusiasm and motivation towards entrepreneurship. As an

entrepreneur, the joy of designing and creating something new (a new product or service) can drive you with a strong disposition to become a passionate individual for a particular entrepreneurial goal.

Creativity

An entrepreneur is always an artist inside. He/she can dream big. It is not always strictly rational, rather typically crazy thoughts for many. For any new product or service design, one's creativity helps him/her combine and expand disconnected pieces of information from the surrounding environment to generate novel ideas. In a broader entrepreneurial context, conceptualizing and visualizing an entire ecosystem truly needs an entrepreneur's creative exposure. Creativity, perhaps, is the essential attribute for an entrepreneur. Creativity leads to innovation and establishes new viewpoints and solutions to old problems.

Locus of control

There are two types of locus of control, i.e., internal locus of control and external locus of control. Thus, we can put people in either of these two categories. It is the internal locus of control that helps an entrepreneur to exercise a higher level of self-efficacy. Those with a high internal locus of control try to accomplish more through the manifestation of his/her abilities while coping and persisting in any unintended situation. Whereas, for an individual with an external locus of control, it is more about accepting externalities such as unpredictable state of affairs, God, fate, powerful people as his/her destiny maker. People with an internal locus of control believe that their own choices enable them to create their own destiny, and such beliefs make people entrepreneurial.

Apart from the personality traits, the following are a few entrepreneurial attributes that will tell you how being motivated, taking risks, and innovating empower you to be an entrepreneur.

Motivation

In the context of Entrepreneurship, success depends on an individual's eagerness in the pursuit of becoming an entrepreneur. From opportunity search to using the opportunity for a viable business is a long and evolutionary process. So from the decisions made after discovering an opportunity to evaluate the opportunity positively, pursuing resources, and designing the usage mechanisms, all of it depends on people's willingness to "play" the game. Hence, the influence of motivational factors is very significant and differs across the population, resulting in variance among intention and ability to entrepreneurial opportunity search, assembled resources, and the entrepreneurial process.

The word “Motivation” comes from the word ‘motive’ (or goal). It means the urge in a person to achieve a particular goal. In other words, it is the ‘strong need to achieve’ that motivates a person to carry out certain actions or behave in a particular manner. You may find many people who have all the necessary financial resources and family support, yet they may not be interested in starting their independent business ventures. Why is it so? Because they are comfortable doing routine jobs and have no higher goals in life. They lack ‘motivation’.

Entrepreneurs are generally highly active individuals. They constantly struggle to achieve something better than what they already have accomplished. They want to be identified as distinct categories of individuals who are ready to work hard and take risks while reaching their pre-determined goals. Meanwhile, they don’t underestimate their strengths and weaknesses. They don’t shy away from seeking external helps to gain resources whenever they feel necessary for their startups.

Taking Risk

Entrepreneurs are well-versed in calculating the possibilities of success and failure under conditions with justifiable probabilistic measures. With the confidence to be successful in their entrepreneurial effort, they take full responsibility for the outcomes of their decision. To take the calculated risks, they spend considerable time in studying and analysing the technological state of affairs, market, demand and supply equations, pricing mechanism, man and machinery requirements, process identification, financial regulations, and access points. And finally, they keep in mind the opportunity cost of not planning other business lines. And all successful entrepreneurs spend considerable time going through every detail of enterprise planning. Why do you think they go through all these rigorous processes? It is because of their intent to minimize uncertainties and calculate the best success and failure equation. They are not afraid of failures; they surely want to optimize positive outcomes through systematic planning.

Innovation

No entrepreneurship can evolve and sustain for long without continuous innovation. Whether it is about the product, service, or any other aspects of business, such as technology, production methods, market, sources of raw material, management practices, organizational structure, information methods, forms of organization, or identifying a new business line, etc., innovation is the key to sustainability and growth. Entrepreneurs always try to come up with new and different value propositions and derive satisfaction by doing so. The idea of “change” exists at the heart of any entrepreneur and entrepreneurial innovation that distinguishes a regular orthodox business from future-oriented entrepreneurship. While innovativeness is the personality dimension, innovation, innovating, or being innovative is the functional aspect of an entrepreneur, and it is called an attribute. Without this key ingredient, the entrepreneurial

function may turn out to be void. So entrepreneurs always try to convert a material into a useful resource or combine the existing and fresh resources to generate a new value proposition through a more productive method. Innovation is not always about doing new things, but it is often about doing the same regular things in a new manner. Here, the interruption is innovation, which improves resource quality, with a more capacity to create wealth.

Examples are everywhere. Did 'Apple' invent or create a smartphone? It may be the world's most successful smartphone for more than the last ten years but 'Apple' at best innovated how a true smartphone should work. They revolutionized smartphone's best ergonomic and artistic design, supply chain, marketing, selling, and servicing (product and software). It may always be the topmost priority for an entrepreneur to create and develop novel products and services. An innovative entrepreneur never ceases to use any opportunity he or she gets, be it something big or small, considering its significance in the total firm's wellbeing.

National Innovation Foundation (NIF), an autonomous body of the Department of Science and Technology, Govt. of India, is a national initiative to promote and strengthen technological innovation at the grassroots level. Value addition through research, scouting, documentation, offering funds for the micro ventures, establishing intellectual property management rights, and spreading awareness, knowledge, and social diffusion are various activities of the NIF. While we indicate the need for innovation at the grassroots level, it will be relevant to mention Indian scholar Padma Shri, Anil Kumar Gupta, who retired as a professor from the Indian Institute of Management, Ahmedabad, and has served as the executive vice-chair of NIF. While on the one hand, Dr. Gupta relentlessly worked through his master classes, research, and advocacy to seamlessly promote and facilitate innovation among grassroots levels and the youth. On the other, he also drew attention to the various innovations that are already rampant among the marginalized sections and need to be noticed.

By now, you must have understood that contextually, creating something scientifically unique from scratch is called invention. Developing any useful products or services using that invention and marketing those successfully is called innovation (the functional attributes of any entrepreneur). And finally, innovativeness is the human facet of innovation, i.e., the human quality necessary for innovating.

Entrepreneur vs. if you are a Manager

The most exciting part of entrepreneurship is that you are your own master, i.e., you can project and accomplish your job, work plan, schedule, etc., as you desire. It is everything that you can design according to the need of your dream venture. On the other hand, you are about to follow your superior's plans, advice, and instructions as an employee. Unlike regular employment, in entrepreneurship, you set your own goals and hire others to execute your plan of action. It is you who reap the significant part of rewards and, subsequently, the satisfaction of attaining the set goals.

To start with, let us list the appeals of being an entrepreneur. Why should you think of an entrepreneurial career?

1. You become your own boss. You need not adhere to frequent superior-authority orders. You can make an independent decision.
2. You work for yourself.
3. You don't need to worry about a frequent job change. You don't search for jobs; rather, you create and offer jobs for others.
4. You feel more satisfied with your career over the fact that you are applying your talent, skills, and knowledge for something you own at heart.
5. Your work benefits you and the nation directly from your end.
6. You don't live for a month-end salary; you earn limitless opportunities that may offer you unlimited returns.
7. In monetary terms, you can earn a hefty income. On emotional earning, you attain unmatched joy.
8. Your entrepreneurial achievements are noted forever because you seek nothing less than excellence.
9. You live your life to the fullest, knowing that for generations to come, your footprints will be followed.
10. You serve not only yourself but the society.

A common query that may arise in the minds of young entrepreneurship students is that "Are the top-managers entrepreneurs too? If not, Why? What is the difference between an entrepreneur and a manager?" Some of you might think that entrepreneurship is another form of management. But they are not the same exactly; they complement each other to attain organizational success. You can say both entrepreneurs and managers share entrepreneurial as well as managerial qualities to a varying degree. (The entrepreneur thinks of a new idea and tries to 'make it happen' by arranging resources (money, material, machinery, and manpower). It has been observed that entrepreneurs often use their own money, seek family finance, borrow from relatives and friends, or even take a personal loan from banks. With a higher level of risk tolerance, he/she may have to adapt to insurmountable financial threats for the sake of the new venture. And a successful entrepreneur always has been the epitome of positivity — when it comes to the enterprise's future and success. But like any other individual, an entrepreneur is not specialized in everything; e.g., he/she could be less efficient in handling the firm's marketing when the venture goes big. At times, it may be difficult for the entrepreneur to look after every aspect of firm operations. Then it comes down to 'management,' as the importance of coordinating and organizing becomes paramount to meet the firm's everyday functioning. Here, either the entrepreneur has to put his/her managerial hat or must have to hire trained individuals who can manage things for him. A manager's work is generally confined to managing given resources and utilizes that optimally to complete some pre-defined works. But a manager doesn't bear the risk as an entrepreneur does through his entrepreneurial effort. If you observe carefully, among all the above-mentioned entrepreneurial personality traits and attributes, it would be the 'risk factor' that perhaps most strikingly makes an entrepreneur stand apart from a highly efficient manager. An entrepreneur draws ultimate motivation from his/her

firm's success, while for a manager, it is primarily financials such as salary, perks, benefits, etc., that inspire him or her. In summary, the readiness to create something new, taking risks, and having total accountability for the job done epitomizes entrepreneurs that even the most competent manager does not have to show. Below we enlist various identifiers of entrepreneurial and managerial approaches:

The distinctions between an Entrepreneur and a Manager's outlook

Points	Entrepreneur	Manager
Motive	The main motive of an entrepreneur is to start a venture by setting up an enterprise. He or she encapsulates the venture as a reflection of self-image.	The main motive of a manager is to render his or her services in an enterprise already set up by some entrepreneur earlier. Managers also contribute to the setting up of a firm.
Status	An entrepreneur is the major shareholder of the enterprise.	A manager is an employee in an enterprise owned by some entrepreneur.
Risk Bearing	Being the major shareholder of the enterprise, an entrepreneur assumes all vital risks and uncertainties involved in the running and failure of the enterprise.	A manager does not bear any major risk involved in the running and failure of the enterprise.
Rewards	The reward an entrepreneur gets for bearing risks involved in the enterprise is profit which is highly uncertain but could be huge in amount.	A manager mostly gets a fixed salary as a reward for the services rendered by him in the enterprise. The salary of a manager is certain and fixed, with few adjustments based on performance.
Innovation	The entrepreneur himself thinks over what and how to produce goods to meet the changing demands of the customers. Hence, he acts as an innovator, also called a 'change agent.'	A manager primarily executes the plans prepared by the entrepreneur and promoters. Thus, a manager translates the sponsor's idea into practice.

Qualification	An entrepreneur needs to possess qualities and qualifications such as optimism, achievement orientation, risk tolerance, innovativeness, self-efficacy, passion, creativity, locus of control, etc.	A manager also needs all these qualities to operate a firm successfully but to a different grade. His foremost criteria for the job remain sound knowledge in management theory and practice.
Involvement	Full-time involvement.	In most cases, it is a limited-time job. You are paid for few specific works to be completed—so less uncertainty.
Stake	Everything could be at stake, e.g., capital, time, career, emotion, family, status, and to a larger extent entrepreneur's personal life.	To some extent, their time and career.

3.1 Types of Entrepreneur

There are numerous ways to classify an entrepreneur. These classifications can be based on types of business, types of industrial sectors, forms of motivation, use of technology, stages of business development, capital ownership, orientation, innovation, gender, age, personality types, etc. Knowing a few of these classifications may enable you to identify your own strength and weakness as an entrepreneur. Author Clarence Danhof has classified the entrepreneurs into four categories:- 1. Innovative Entrepreneurs 2. Imitative Entrepreneurs 3. Fabian Entrepreneurs 4. Drone Entrepreneurs. Let us know more about them.

Innovating entrepreneurs

In some sense, they are the ones who should be called entrepreneurs. They bring novel product services or production methods into the earth for the first time. Innovating entrepreneurs can change the face of a nation by ensuring socio-economic development. But it has due compensations too. With financial stress and uncertainty, the developed countries' institutional setups can afford to encourage taking such risks involved in innovating entrepreneurship. Ritesh Agarwal's 'OYO rooms' or Shradha Sharma's 'YourStory' can be considered as ventures by Innovating entrepreneurs.

Imitative entrepreneurs

As the name suggests, this kind of entrepreneur follows innovating entrepreneurs. A large number of them usually are from developing or underdeveloped nations where copyright laws are little subservient. In this form of entrepreneurship, you can avoid the huge cost of developing new technologies necessary for any novel product and service. Here, effective imitative entrepreneurs get the luxury to copy the innovating entrepreneur's innovation eloquently. Bhavish Agarwal's 'Ola' that took on US taxi Uber and Flipkart that came as the Indian answer to US e-commerce Amazon are examples of such entrepreneurs.

Fabian entrepreneurs

This group of entrepreneurs is a one-time risk-taker in life. And throughout their lifetime, they remain highly risk-averse in their entrepreneurial journey. They greatly avoid adopting anything new in their production, supply chain, or even product line. Their sluggishness is transformed into embracing newness in business only when it threatens their enterprise as a whole. Often the name of 'Kodak' company is mentioned under this type. Fabian is more applicable in the Indian rural agriculture environment, where traditionally acquired land is passed down to the successors and is run with old bookkeeping methods.

Drone entrepreneurs

This sort of entrepreneur is very rigid about making any change in the production line, even when it is categorically established, the application of new technologies and methods can be a highly profitable business proposition. Although they know that they are earning reduced returns or incurring significant losses compared to other businessmen, they stick to conventional production methods to existing without any growth. A tobacco-making industry is still making tobacco entirely by hand, and they are not willing to use the machines. This example will explain to you who the Drone entrepreneurs are.

Let us discuss another perspective related to an entrepreneur and a manager over here. It is interesting to note that a manager of an organization can always be entrepreneurial in his/her orientation. Being entrepreneurial in mindset and approach will enable the manager to develop ownership in work and ensure his/her success and leadership in the job. These managers are called intrapreneurs.

Intrapreneur Other than the natural entrepreneur, who creates new firms mostly from scratch, intrapreneurs function as entrepreneurs within an existing business. Preferably, they are managers of certain organizations. This group of managers is rare in any organization. Although they are a simple salaried employee of the organization, they are highly proactive, self-motivated, innovative, and action-oriented. Even being within an organizational bureaucracy, they shine by taking initiatives for developing novel products or services—Intrapreneurs exhibit innovativeness in their work related to problem-solving and decision making.

Entrepreneurship as Lifelong Learning

A crucial feature of entrepreneurial life is 'change.' The more an entrepreneur can adapt to change and learn from it, the better it is for his/her business sustainability and learning. The entrepreneur always looks back into the past to learn the basics of success or failure. He/she is also particularly conscious of what the competitors are doing, or have just done or are planning, what he/she would do tomorrow, next month, or later. He/she is always concerned with the policies of the government, trade associations, etc. For an entrepreneur, life is a constant flow.

A few decades back, it was not easy to be a successful entrepreneur. It needed a lot of grit and determination. The uncertainty in the process has now been considerably reduced due to the development of the support network. These days, it is easy to get funding if you can come up with some great ideas. Be it government support, community support, institutional support, angel investor, venture capitalist, banks, etc., all are well-networked with proposed entrepreneurs who have incredible business plans. Additionally, these days, access to consultants and training institutions are just a click away. They are eagerly waiting to help you with recommendations (mostly free) that can fill the gaps in your business plan and make it crispier. Now you also have specialized public institutions that will voice your concerns and offer access to better infrastructure, technology, information, quality workforce, etc. It is not as difficult or complex as some decades ago, say, in the pre-internet world. As an entrepreneur, you need to learn from the past, gather knowledge and wisdom from the present, and visualize the future trend and predict. The very process of entrepreneurship for you is lifelong learning.

3.2 What Does the Entrepreneur Do?

The entrepreneur combines the available resources like infrastructure labor, finance, manpower, knowledge, etc., and produces goods or services and puts invaluable inputs in the form of his/her time, knowledge, and efforts to organize these factors. This is the basic quality of entrepreneurship which spreads in societies through a 'chain reaction. Each action leads to

another, and entrepreneurial opportunities are continuously created. They result in active markets and intense competition.

Look at the computer industry, for instance. The emergence of computers has opened up a large market for computer software. Young men and women have developed software packages and sold them in the market. But can the activity end there? Obviously not. The computer users need training, computers need maintenance and repairs, etc., and the activities go on. Many fields like banking, education, and even astrology have come to depend on computers in a big way. All these have created a lot of opportunities in this area. Thus the computer industry all over the world is growing very fast.

3.3 Productivity

Investment and innovation are the two major influences on raising productivity (work is done per hour) and the per capita output (total output divided by the total number of employees). You can well imagine how inventions such as the steam engine, steamship, the telegraph, the telephone, the automobile, the airplane, the computer, etc., have affected the growth and welfare of people and countries all over the world. With the help of innovation, the entrepreneur manages to produce goods and services at a lower cost. He/she reaps profit from this entrepreneurial activity. But this 'happy' situation cannot last very long. Soon, imitators appear, affecting the market supply and the price of goods. They compete with the original entrepreneur for raw materials, workers, etc. As a result, the production cost goes up. This forces the entrepreneur to introduce innovation again and again, and the process continues.

3.4 Job Creation

An entrepreneur generates profit for himself or herself and creates employment for many people through enterprise creation. Let us go back to our example of the computer industry. In the beginning, there was a demand only for a few software professionals and programmers.

Slowly, the need for instructors, maintenance and service engineers, sales personnel, etc., increased with the industry's momentum. This sector is now becoming a major employment creator. Moreover, a large number of computer professionals are setting up their enterprises. Instead of working for big companies, they provide jobs for others in their small and medium units.

3.5 Transfer of Technology

Entrepreneurs, especially in developing countries, may not always be 'innovative.' Most of these countries do not have properly developed infrastructure (communication and transport facilities), information sources, etc. Hence 'innovating' becomes difficult for entrepreneurs. They very often borrow innovative ideas from others or imitate the innovations made elsewhere and imaginatively apply those. This leads to the transfer of technology across countries and ultimately to the economic growth of the imitating country.

Notice what is happening in the field of communications. Television was once considered a major technological invention. But soon came video recorders and players. You could watch films and other programmes at your own convenience. You could even record the programmes of your choice on the TV and watch them later. Now, even this has become outdated. Commercial channels within and outside India are entertaining and educating people throughout the day! How did this happen? Some entrepreneurs had the vision to think ahead and were ready to take risks.

3.6 Entrepreneurial Firms and their advantage

The growth of small-scale industries in the past few years has brought to light the importance of entrepreneurship in this sector. Perhaps you are aware that the enterprises in this sector are mostly owned and managed by a single individual (owner-manager). From the stage of spotting the business idea to establishing and consolidating the enterprise, the entrepreneur's complete involvement is evident in these industries. This is why small units are commonly called 'entrepreneurial firms.'

It has been often observed that the large ones are rigid and slow in responding to changes around them compared to small entrepreneurial firms. Moreover, the small entrepreneurial firms are alert and are constantly looking for gaps in the market, which they can fill. Thus, they make the best use of available opportunities and resources.

Entrepreneurship and the Environment

What does the term 'environment' mean? In any society, the environment includes life's religious, educational, political, and social aspects. An economic opportunity indeed is one of the primary requirements for entrepreneurship to flourish. But its rise and expansion depend on certain environmental forces that promote or discourage entrepreneurial thinking, behavior, and efforts.

In this chapter, you will look at some such factors that tend to influence entrepreneurship.

Social Factors

Every society has certain cultural practices and values, which influence the actions of individuals. These practices and values have evolved over the centuries. Society was divided on diverse parameters such as caste, religion, gender, etc. Degrees of social flexibility, mobility, etc., vary from society to society and from region to region. It should be fair to presume that where social flexibility and mobility are relatively easier, the prospects of entrepreneurship would be better.

A related aspect is the attitude of society towards entrepreneurship. Certain societies encourage innovations and new ideas and thus approve of entrepreneurs' actions and rewards like profits. Certain others do not tolerate changes, and in such circumstances, entrepreneurship cannot take root and grow. Similarly, some societies have an inherent dislike for any money-making activity. It is said that in nineteenth-century Russia, the upper classes did not like entrepreneurs. For them, cultivating the land meant a good life. They believed that land belongs to God, and the land's produce was nothing but God's blessing. During this period, Russian folk-tales,

proverbs, and songs carried the message that making wealth through the business was not 'right'.

McClelland maintained that the presence of a specific motivational structure, the desire to achieve for the sake of achievement -- i.e., the 'achievement motivation' -- is of critical importance for successful entrepreneurship. He said that Indian artisans lacked entrepreneurial values and motives, a conclusion he based on his experience with handloom weavers in Orissa and artisans in Kakinada in south India (McClelland and Winter, 1969).

In a country like India, social (value system) and cultural issues hold their importance, besides issues related to infrastructure. Any innovation to succeed in our society needs to be accepted by our value system and culture. It will be right to say that 'Internet of Things (or any innovation) may fall short of its aim unless a high level of awareness is created and the idea is taken to the common people irrespective of gender, caste, creed, and color. An acceptance by the masses in itself is a kind of social innovation. Further, in our country, where the population is more concerned about making both ends meet, the entrepreneurial activity will achieve sustainability only when support is provided through the institutional, social, and governmental networks.

Education Policies

Education enables you to understand the outside world and equips you with the basic knowledge and skills to deal with day-to-day problems. In any society, the system of education has a significant role to play in inculcating entrepreneurial values.

In India, the system of education before the 19th century was rigid, often governed by religion and the social caste system. It promoted the idea that business is not a respectable occupation. Later, when the British came to our country, they introduced an education system just to produce clerks and accountants for the East India Company. The unfortunate result of it is that young men and women in our country have developed a taste only for 'service. Their talents and capabilities have been majorly used for routine, conventional jobs. Our educational methods are changing in today's era, but the emphasis is still on preparing students for regular jobs rather than on making them capable enough to begin something new and stand on their feet. But the recently announced 'National Education Policy 2020' is expected to bring significant changes to the present system. The interventions are strongly trying to bring the necessary changes to sensitise the younger generation about entrepreneurship, nurturing innovation and creativity amongst students.

Government Policies

A football player might possess exceptional talent. But, his contribution to the nation and the world of sports would remain negligible if his performance is restricted to the courtyard of his own house. He needs a football ground to practice on and resources to buy the equipment required. He also requires encouragement and support from those in authority to enable him to freely play with others and prove his talent. In the same way, however creative he/she may be, an entrepreneur cannot function without the supportive actions of the Government. It is for the Government/society to ensure the availability of required resources for the entrepreneurs and also the accessibility to them. This is because the successful entrepreneur contributes to the

well-being of society. Policies relating to various aspects like prices, the availability of capital, labor, and other inputs, demand structure, taxation, income distribution, etc., affect the growth of entrepreneurship to a large extent. Promotional Government activities such as incentives and subsidies contribute substantially to entrepreneurial performance. At the same time, Government policies like licenses, regulations, monopolies, etc., affect the growth of business enterprises. Above all, a politically stable and united Government can influence entrepreneurial activities in a significant manner.

Is there any entrepreneur in your neighborhood? Try to gather information on his/her views on various Government policies like taxation, finance, labor, etc. Also, ask him/her about a business unit's opportunities and growth prospects in the current scenario.

Economic Infrastructure and Social Overheads

The expansion of entrepreneurship pre-supposes properly developed communication and transport facilities. This not only helps to enlarge the market but expands the horizons of business too. Take, for instance, the establishment of the post and telegraph system and the construction of roads and highways in India. It helped considerable entrepreneurial activities to take place in the 1850s. Apart from the above factors, institutions like trade/business associations, business schools, libraries, etc., also make valuable contributions towards promoting and sustaining entrepreneurship. The advancement of technology and digitalization have given a positive boost to entrepreneurship. You can gather all the information you want from these bodies. They also act as a forum for communication and joint action. Of late, the importance of business and industry associations has increased tremendously. In the fast-changing world of business, entrepreneurs have to move collectively to be more effective and more efficient. They need to check and influence the Government's thinking and decision-making constantly.

4.6 Changes Taking Place

In present-day India, all the above-mentioned environmental forces are found to be working in favor of enterprising men and women. There is a visible change for the better in the entrepreneurial field of the country. Dogmas (settled opinions) and superstitions have lost the hold they earlier had. It is encouraging for the 'non-commercial' classes to consider economic opportunities more sympathetically. As a result, occupational divisions based on the caste or any other rigid system have undergone tremendous changes, and traditional activities, social approval, etc., have become less important. More important now are the economic factors such as access to capital as well as possession of entrepreneurial traits and characteristics and business knowledge.

The development of government policies in favour of business and industry and, of course, a rise in the demand for products manufactured by small-scale industries are some of the key factors that have led Indian entrepreneurs to look for new business opportunities.

Introduction to Startup Entrepreneurship

You must have heard the term ‘startup’ many times and may have a fair idea about it by now. Let us look into it in detail. India is the second-largest populous country in the world with a 1.35 billion population strength. Since the job market could reach saturation, the inventory of available jobs may be exhausted soon and remain inadequate to provide employment opportunities to 1 million people joining the workforce in India every month. According to the latest Asia Pacific Human Development Report, the unemployment crisis in India will last for almost 35 years. Hence, creating entrepreneurs would go a long way towards the development of the economy as well as job creation. The Government of India has announced campaigns like “Start-Up India, Stand-Up India” to empower the Startups (especially for the disadvantaged communities) and facilitate them in credit linkages by availing bank loans for their ventures; thereby giving a boost to entrepreneurship and job creation.

Currently, India is in the third position in the global Startup ecosystem ranking, and the country’s Startup base is expected to grow YoY between 12-15 % (www.startupindia.gov.in/ accessed on 28.12.2020). Favorable government initiatives, an increase in the number of academic incubators, a rise in the funding received by Startups, and growth in the digital economy will further drive the Startup landscape in India. Student start-ups, experienced professionals starting their own business, and marginal rise in women entrepreneurs are the positive trends witnessing the Indian start-up ecosystem. All this has contributed significantly towards placing the Indian Startup landscape on the growth trajectory.

Definition of Startup

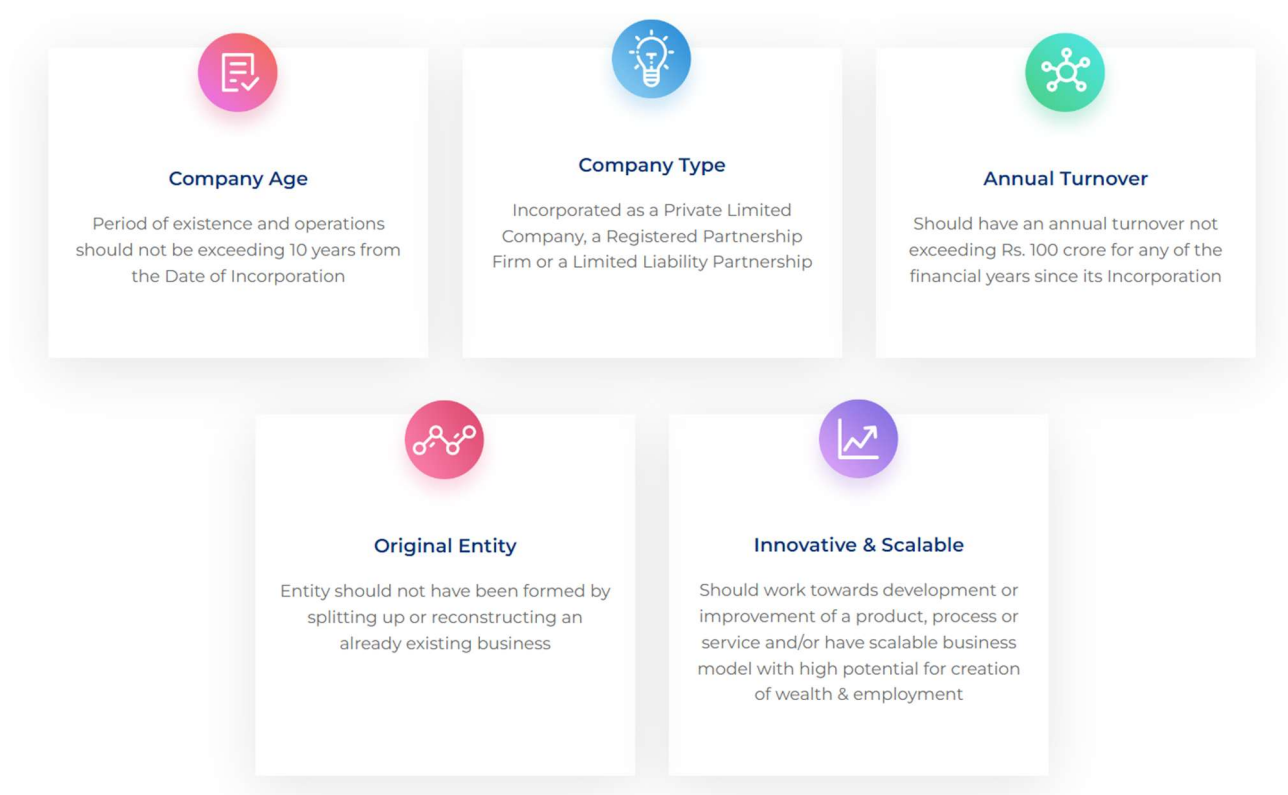
Of the various initiatives undertaken by the Government of India (GoI) to promote entrepreneurship and Startups, the most impressive one is the launch of the “Startup India” program in January 2016. It is a flagship initiative of the GoI that intends to build a strong entrepreneurial ecosystem in the country for nurturing innovation and Startups, leading to economic growth and generation of employment opportunities on a larger scale.

According to the government notification released by the Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade), an entity shall be considered as a startup in India as per G.S.R. 364(E) guidelines when it fulfills:

Startup	◇ Upto a period of ten years from the date of incorporation/ registration, if it is incorporated as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) in India
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	◇ Turnover of the entity for any of the financial years since incorporation/ registration has not exceeded one hundred crore rupees.
	◇ Entity is working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation.

Provided that an entity formed by splitting up or reconstruction of an existing business shall not be considered a ‘Startup’ Source: <https://www.startupindia.gov.in/>



Key stakeholders of the Startup ecosystem in India

The fast-growing startup ecosystem of India is also complimenting the economic growth of the country. With over 39,114 Startups being registered with DPIIT, one of the main reasons for this growth is a collaborative approach of innovation between academia, industry, and governments to foster economic and social development.

Apart from universities, industry, and government, the following are the key stakeholders of the Startup ecosystem in India:

- 1. Funding organizations:** Banks, Angel Investors, Venture Capitalists, and other financial institutions play an important role and help Startups and entrepreneurs establish credit linkages and raise finance.
- 2. Academic and Research Institutions:** These institutions contribute significantly to innovation and human capital development and play a central role in the success and sustainability of the knowledge economy. They also create an opportunity for knowledge and technology transfer from academic/research organizations to the commercial market.
- 3. Incubators and Accelerators:** These are organisations that seek to help startups attain success. These tend to focus on providing startups with mentorship, advice, and resources to help the startups succeed. They accelerate the development of new ventures, influence entrepreneurial talent in society, and speed technology usage by linking technology, capital, and know-how in the ecosystem.
- 4. Corporates and other Support Organizations:** These organizations can support Startups by providing guidance on new business opportunities and expansion. They also offer mentoring support, solutions to business problems, supplying technology, financial support, expert assistance, building distribution channels for the Startups, etc.
- 5. Supportive Government:** Government initiatives and programs like Start-up India, Make in India, Digital India, Stand up India, etc., are encouraging the culture of innovation in the country and also inspiring youth and women to take up entrepreneurship as a career.
- 6. Country's Creative Youth:** Millions of young Indians are giving up secure jobs and opting to start their own ventures. The median age of Startup founders in India is 31 years. They have begun to pursue entrepreneurship as a career option under the Government's favorable schemes and policies that support entrepreneurship.
- 7. Experienced Entrepreneurs:** They are willing to share their knowledge, expertise, and experience with the new-age Startups. Business collaborations, equity funding in Startups are emerging as a trend in India's Start-up ecosystem.

For the growth and sustainability of a Start-up ecosystem, all the major stakeholders have to collaborate to create a culture of raising a proactive mindset that embraces opportunities, takes up risks, and develops innovative solutions to society's problems. By working towards pushing innovation forward, all the players contribute significantly towards creating a sustainable ecosystem that can lead to the country's economic development.

Startup Incubation Centres in India

As mentioned above, startup incubators hold a significant role in boosting India's startup ecosystem. Following are a few important incubation centres in India:

- Under the umbrella of the Department of Science & Technology, Government of India, ISBA - Indian Science And Technology Entrepreneurs Parks And Business Incubator Association was established to promote the business incubation activities of the country. [<https://www.isba.in/>; <http://www.step-iit.org/>]
- Innovation and Entrepreneurship (SINE), IIT Mumbai [<http://www.sineiitb.org/>]
- Technopark Technology Business Incubator (T-TBI) [<http://www.technoparktbi.org/>]
- CrAdLE [<https://cradle-edii.in/>]
- Centre for Innovation, Incubation, and Entrepreneurship (CIIE) [<https://ciie.co/>]
- Nadathur S Raghavan Centre for Entrepreneurial Learning (NSRCEL) [<https://www.nsrcele.org/>]
- Seedfarm, Seedfund [<http://seedfund.in/>]
- Venture Center [<http://www.venturecenter.co.in/>]
- Foundation for Innovation and Technology Transfer, IIT Delhi [<https://fitt-iitd.in/>]
- NASSCOM 10K Warehouse Vizag [<http://10000startups.com/startup-warehouse/>]
- Agri Business Incubator [<http://www.aipicrisat.org/>]
- Bihar Industries Association [<http://www.biabihar.com/>]
- IITG-Technology Incubation Centre (IITGTIC) [<http://www.iitg.ac.in>]

In this context, it is important to mention the National Science & Technology Entrepreneurship Development Board (NSTEDB), a board that was founded in 1982 by the Govt. of India, under the guidance of the Department of Science & Technology. The board aims to promote entrepreneurship by encouraging the youth to be job generators than job seekers.

The role of DST, while discussing the promotion and strength of entrepreneurship in India, is indisputable. The Department of Science & Technology (DST) plays an essential part in the advancement of science & technology in the country. Empowerment of the youth and disadvantaged sections through entrepreneurship has been an important mandate of DST.

Startup - Growth drivers in India

The Indian Startup ecosystem has been thriving, with tech-enabled Startups getting the highest funding followed by online businesses/e-commerce. Some of the critical reasons for the growth of the Indian Startup landscape are given below:

<p>Favorable demographics: Around 65% of the Indian population is below the age of 35. The median age of Indian Startup founders is 31 years, which is lesser than major Startup hubs globally, including Silicon Valley's (36.2 years). Young Indians are willing to take business risks, overcome challenges and also influence policymaking in the country.</p>	<p>Market size: Growing internet and smartphone penetration, increasing consumption of social media, increasing disposable income leading to improved purchasing power – all these factors are contributing immensely to boost the country's economic activity.</p>
<p>Availability of cheap labor: With an increasing number of Startups, India is emerging as a leader in providing skilled work labor worldwide. 'Make in India' initiative has also given momentum to the labor market by increasing the demand for skilled labor in the country. Indian Startups hire a lot of workforce from the gig economy (freelancers) and save on their operating costs.</p>	<p>Talented and Skilled labor: The availability of capable and qualified human capital has made India a knowledge-based economy. While the Skill India campaign focuses on skill development of the youth, Make-in-India is working towards creating entrepreneurial capabilities & generating more employment facilities, jobs, etc. All these are contributing significantly to the progress of India as a Startup hub.</p>
<p>Attractive investment destination: As per the latest Doing Business report published by the World Bank in 2020, India stands at 63rd position in the list of 190 countries as compared to last year's 77th rank. Being among the top 10 FDI destinations globally, India can attract massive investments in the Startup ecosystem.</p>	<p>Science and Technology focused academic education: Top academic institutions like IITs and IIMs have incorporated incubation programs to mentor student Startups and budding entrepreneurs. A large number of engineering and technical graduates also make India a home for a pool of talent for Startup development.</p>

Women-led Startups: As per the 6th Economic Census by the National Sample Survey Organization (NSSO), only fourteen percentages of businesses in India are run by women. Most of these women in business belong to the elite class; the middle and lower class are yet to join the league. To boost the participation of women in running their own businesses, GoI has rolled out initiatives like ATAL Innovation Scheme and MUDRA. As the government continues to boost women entrepreneurship in India, the country might see an influx of more Startups created or run by women entrepreneurs in the years to come.

Government's schemes to promote Startup Entrepreneurship

Following are some of the important schemes announced by the Government of India to create a culture of entrepreneurship in the country:

- ❖ Startup India [<https://www.startupindia.gov.in/>]
- ❖ ASPIRE (A scheme for promotion of innovation and rural entrepreneurship) [<https://www.startupindia.gov.in/content/sih/en/government-schemes/aspire-scheme-promotion-innovation-entrepreneurship-and-agro-industry.html>]
- ❖ MUDRA bank scheme [<https://www.mudra.org.in/>]
- ❖ Atal Innovation Mission [<https://aim.gov.in/>]
- ❖ eBiz Portal [<https://ebiz.bpc.co.in/lpg/>]
- ❖ Dairy Processing and Infrastructure Development Fund (DIDF) [<https://dahd.nic.in/didf>]
- ❖ Support for International Patent Protection in Electronics & Information Technology(SIP-EIT) [<https://www.startupindia.gov.in/content/sih/en/government-schemes/international-patent-protection-sip-eit.html>]
- ❖ Multiplier Grants Scheme (MGS) [<https://www.meity.gov.in/content/multiplier-grants-scheme>]

- ❖ Credit Guarantee Scheme for Startups (CGSS) [<https://cleartax.in/s/credit-guarantee-scheme-startups-cgss>]
- ❖ Software Technology Park (STP) Scheme [<https://www.startupindia.gov.in/content/sih/en/government-schemes/software-technology-park-scheme.html>]

- ❖ The Venture Capital Assistance Scheme (VCA) [http://sfacindia.com/VCA_Scheme.aspx]

- ❖ NewGen Innovation and Entrepreneurship Development Centre (NewGen IEDC) [<http://www.newgeniedc-edii.in/>]
- ❖ Single Point Registration Scheme [<https://www.nsic.co.in/schemes/Single-Point-Registration.aspx>]

❖ Modified Special Incentive Package Scheme (M-SIPS)
[<https://www.meity.gov.in/esdm/incentive-schemes>]

Note: More information about government schemes can be availed by visiting <https://www.startupindia.gov.in>

5.6 Steps to register your Startup with Startup India

Step 1: Business Incorporation

You can incorporate your business entity as a Pvt. Ltd. Co. or a Limited Liability Partnership or a Partnership firm and obtain certificate of incorporation

Step 2: Registration with the Startup India

Log on www.startupindia.gov.in. Your Startup profile will be created once all the business details are entered. After this, you can be eligible to participate in various government schemes and programs.

Step 3: Apply for DPIIT Recognition

Click on "Get Recognized" button. This will help you to get access to various tax benefits, easier compliance, IPR fast-tracking & more

Step 4: Recognition Application

On the 'Recognition Application Detail' page, click on 'View Details' under the Registration Details section. Fill up the 'Startup Recognition Form' and click on 'Submit'.

Step 5: Documents for Registration

Startup registration certificate, directors' details, proof of concept/pitch deck/video/website

Step 6: Get the Recognition Number

Within 2 days, the certificate of recognition will be issued if the documents submitted are found to be ok without any query






Note: For further details about documents, tax exemption, conditions of self-certification, etc. visit www.startupindia.gov.in

Top Indian Startups of 2024

2024~YIR.


Inc42

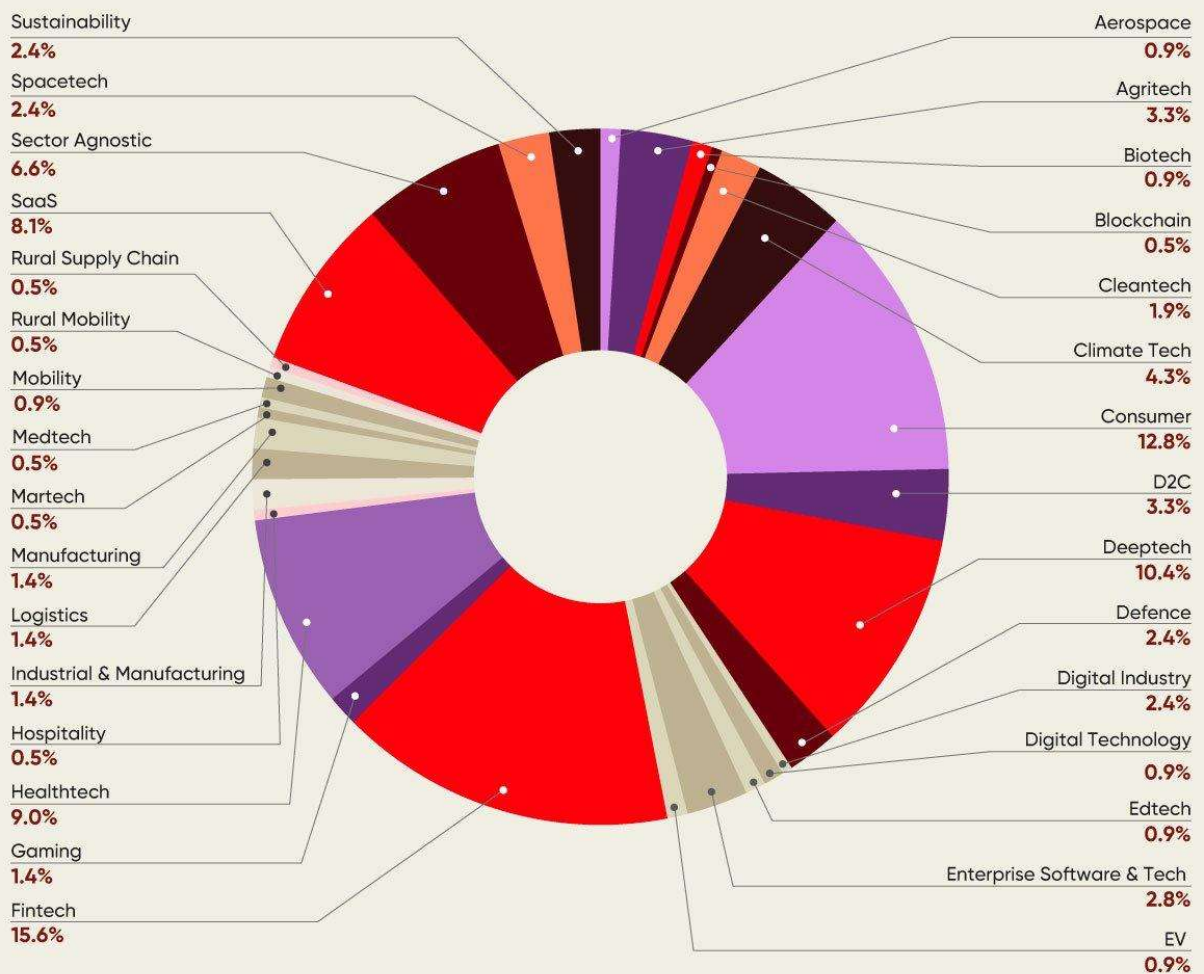
NEW-AGE TECH COMPANIES RAISED INR 29K+ CR VIA IPOs IN 2024

COMPANY	TOTAL IPO SIZE (INR CR)	FRESH ISSUE AMOUNT (INR CR)	OFS AMOUNT (INR CR)
 awfis	598.9	128.0	470.93
 BLACKBUCK	1,115	550	565
 firstcry	4,194	1,200	2,994
 digit	2,614.6	1,000	1,614.6
 ixigo	740.1	250.0	490.1
 MERHOOD*	19.5	10.0	9.5
 BobiKwik	572	572	Nil
 OLA ELECTRIC	6,145	3,000	3,145
 SWIGGY	11,324	3,000	8,324
 TAC Security	30	10.0	20
 tbo.com <small>TRAVEL SIMPLIFIED</small>	1,550.8	500.0	1,050.8
 TRUST	63.45	30.0	33.45
 unicommerce	103.5	50.0	53.5
TOTAL	29,070	10,300	18,770

* CLOSING PRICE ON DECEMBER 18, 2024

NOTE: EASYMYTRIP'S SHARES ARE BASIS EX-BONUS, YUDIZ DATA FROM NSE

STARTUP FUND LAUNCHES IN 2024: A SECTORWISE OUTLOOK



NOTE: 2024 DATA AS OF DECEMBER 16 | THE ANALYSIS FOCUSES EXCLUSIVELY ON FUNDS ANNOUNCED FOR INDIAN STARTUPS | LAUNCHES INCLUDE – LAUNCH ANNOUNCEMENTS, FIRST CLOSE AND FULL FUND CLOSURES

Inclusivity in Entrepreneurship

To understand how entrepreneurship influences the growth of a society, you need to understand the concept of inclusivity. A society that overcomes differences and promotes equality among all groups and sections can be called an inclusive society. Entrepreneurship can act as a robust engine for mainstreaming the marginal or disadvantaged sections (based on gender, age, caste, physical disability, etc.) of society through sustainable economic empowerment, which, in turn, will ensure self-reliance, autonomy, inclusivity, and dignity. The inclusion of everyone equally by providing entrepreneurial opportunities, access, and ease-of-doing-business will strengthen the entrepreneurship phenomena in a country. The entrepreneurial intention remains typically dormant amongst most marginal sections due to various reasons, viz., social discrimination, exclusion, lack of sensitivity, lower respect, and support. Though these marginal or disadvantaged social groups are heterogeneous, their members typically face greater barriers to business creation than the mainstream population. In this context, sensitising and awareness creation programmes, capacity building interventions, Govt. schemes explicitly designed for them, facility of loans and funding support, etc., will enable proper inclusion of all sections of the society in the entrepreneurship agenda. Entrepreneurship will empower the disadvantaged or the marginal sections towards human diversity and dignity of work.

Business creation by under-represented and disadvantaged groups helps create jobs and fight social and financial exclusion while stimulating economic growth across the economy. Various interventions for the empowerment of the marginalised groups by the Govt. as well as private sectors will include measures such as:

- understanding of the challenges that different social target groups face in entrepreneurship
- addressing challenges and blocks in the process of entrepreneurship
- improving access to finance
- providing flexibility in rules to doing business
- ensuring social security
- offering business development support
- building the entrepreneurial networks

Entrepreneurship for the Scheduled Caste and the Scheduled Tribe (SC, ST)

Through policy measures and institutional networks, the Central and State Governments and other private organisations promote entrepreneurship among the economically backward castes, particularly scheduled castes and scheduled tribes. The outcome of these interventions reflects in aspects like quickening industrialisation, generating employment, promoting education, and eradication of poverty for the economic development of the country.

The Ministry of Micro, Small & Medium Enterprises of the Govt. of India takes conscious initiatives to support the SC/ST sections of the society in entrepreneurship through 'National SC/ST HUB.' There is various backing arranged both for SC/ST existing entrepreneurs and SC/ST budding entrepreneurs. The 'Stand Up India' programme of the Govt. facilitates special

bank loans for women and SC/ST entrepreneurs of India. Department of Social Justice and Empowerment has initiated Venture Capital Fund among the Schedule Caste population in India. The Pradhan Mantri Rozgar Yojana scheme offers several special supports to help SC/ST entrepreneurs. Thus, Sufficient measures are taken up by various Govt. and non-Govt. Sectors to include and facilitate SC/ST groups to become entrepreneurs.

Though there are several marginal or disadvantaged sections in our society, in this chapter, we will discuss in detail women entrepreneurship and entrepreneurship by the differently-abled, as these are considered two essential instruments for a country's socio-economic development in the future.

Women Entrepreneurship

The next major social issue is women's entrepreneurship. The participation of women in economic and entrepreneurial activities varies from region to region, society to society, and community to community for a host of historical and social reasons. In the 21st century India, women must participate in all activities along with men with self-confidence fairly and equitably. The Govt. of India (and the State Govts) have formulated various schemes to encourage women to participate in all economic and entrepreneurial activities. These are intended to break the inhibitions and disinterest of women and harness their powers towards nation-building and economic growth.

Entrepreneurship is a key to the economic development of a country. History is full of instances of individual entrepreneurs whose creativity had led to the industrialization of many nations. Small-Scale Industries (SSI) play a key role in the industrialization of a country. It is considered an important means for checking the concentration of economic power in a few hands and bringing about economic dispersal and more equitable distribution of national income. The nature and character of the MSME are suitable for women to become entrepreneurs.

For India, the growth depends on the empowerment of women, who constitute 48.45% of the Indian population (2011 census), and entrepreneurship remains a key contributor to women's empowerment. India is soon going to be one of the largest working-age populations, and this demography can act as a dividend only when the women are the equal partners.

The efforts of the government and its different agencies are ably supplemented by non-government organizations that are playing an equally important role in facilitating women's empowerment. Despite the concerted efforts of the governments and NGOs, there still exist certain gaps. Of course, we have come a long way in empowering women, yet the future journey is difficult and demanding. Some new-age women's entrepreneurship schemes are listed below.

- Iccha Shakti represents motivating aspiring entrepreneurs to start their business
- Gyaan Shakti represents providing knowledge and ecosystem support to women entrepreneurs to help them foster entrepreneurship
- Karma Shakti represents providing hands-on support to entrepreneurs in setting up and scaling up businesses
- Annapurna Scheme: Women can avail of loans up to ₹50,000 to begin their food catering business
- Stree Shakti Package for Women Entrepreneurs: Women operating small businesses having majority ownership (over 50 percent) can avail of an interest concession of 0.05 percent for loans above Rs 2 lakh.
- Bhartiya Mahila Business Bank Loan: A loan amount of up to Rs 20 crore can be availed by female entrepreneurs under the Credit Guarantee Fund Trust for Micro and Small Enterprises. The program initiated by Bhartiya Mahila Bank offers the owner to repay the loan amount over a period of seven years.
- Dena Shakti Scheme: Maximum loan amount of Rs 20 lakh can be availed by women entrepreneurs with a concession of 0.25 percent.
- Udyogini Scheme: Women (18-45 Yrs) with a family income below Rs 45,000 can avail of loans up to Rs 1 lakh. Widowed, destitute, or disabled women are exempted from income limit. Whereas ST/SC among them (widowed, destitute or disabled) can get 30 percent subsidy up to Rs. 10,000.
- Cent Kalyani Scheme: With varying market interest rates, women can avail of loans up to Rs 1 crore from the Central Bank of India for their startups in areas like agricultural work or retail trading.
- Mahila Udyam Nidhi Scheme: It's a combined Punjab National Bank and Small Industries Development Bank of India (SIDBI) program for women entrepreneurship. Women can avail of loan up to ₹10 lakh and repay through a period of 10 years while setting up a new business.
- Orient Mahila Vikas Yojana Scheme: It is an initiative by the Oriental Bank of Commerce to assist women entrepreneurs who hold a minimum 51 percent share capital individually or jointly can avail of the loan. With up to 2 percent interest concession and a repayment period of seven years, loan amounts between ₹10 lakhs to ₹25 lakhs can be availed without collateral security.

Some women entrepreneurs have started unique businesses that are solving specific problems for women.

Nykaa: Nykaa, the famous e-commerce and retail brand for beauty products for women was started by Falguni Nayar in 2012 to break the myth that e-commerce is not effective for sales of beauty products. Nykaa makes quality beauty products and international beauty brands.

Mann Deshi Bank: Social entrepreneur, Chetna Gala Sinha started Mann Deshi Bank in 1997 as a cooperative bank to give out micro loans to women. The bank is based in Maharashtra and has encouraged many women in the state to start micro businesses.

HeyDidi: Revathi Kulkarni Roy is a serial entrepreneur, especially focused on running businesses that provide unique services for women. Revathi started ForShe in 2007, the first taxi service only with woman drivers. Similarly, she started Viira in Mumbai in 2010. Her recent startup is called HeyDidi, which is a women-only platform providing its delivery service through a mobile app.

Differently-abled Entrepreneurs

India is a country of diversity, and the ethos of India is unity in diversity. The sense of unity will be manifested in a true sense if all sections of the society have equal opportunity access and participation to add to the economy of the nation. The Govt. of India has come up with policies that aim to offer all people equal opportunity to create a sustainable business irrespective of their age, gender, and background.

Inclusive entrepreneurship typically targets underrepresented groups in society or business, disadvantaged and face barriers to starting any business venture that others may not face. Apart from the women who are considered disadvantaged in their pursuit of entrepreneurship, another group that deserves attention is differently-abled people.

Several differently-abled people in India have risen above their physical and mental disabilities and pushed society to change its perception of them. According to the Census in 2011, 2.21 percent of the total population in India are differently-abled, and 36 percent of total disabled persons are employed. However, a focus on self-employment and entrepreneurship will enable the differently-abled to work around their limitations in their own way and transform disability into ability.

The differently-abled entrepreneurs can be designated as individuals with different abilities who can form, arrange, and start a company.

Centre for the Empowerment of Differently Abled (CEDA)

State and Societies have continually tried to create methods for an inclusive approach to growth so that the struggles of the disadvantaged and the deprived could be reduced. Policies are made to bring all into the mainstream social structure. To create this equitable society, where the differently-abled (Divyangjan) do not feel inhibited, and see a plethora of opportunities, Entrepreneurship Development Institute of India (EDII), under the aegis of Directorate of Social Defence and Gujarat State Handicapped (Divyang) Finance and Development Corporation, and Social Justice and Empowerment Department, Govt. of Gujarat, has set up a Centre for Empowerment of Differently Abled (CEDA) on its Campus. The Centre aims at promoting entrepreneurship, employability, and livelihood activities among the differently-abled.

Problems of Differently abled Entrepreneurs in India

The problems or barriers that the differently-abled entrepreneurs usually face are as follows:

- Financial shortages
- Lack of training
- Legal measures regarding registering their companies under regular bodies
- Not being taken seriously by financiers, customers, or society at large
- The societal bias and stereotype about physical or mental disability
- Lack of mainstream opportunities.

Support System

- National Handicapped and Finance Development Corporation (NHFDC) is the apex institution in the field of financial support to differently-abled people for entrepreneurship development through awareness creation, capacity building, training, and different financial support. The institution is supported by the Govt. of India and other non-governmental agencies.
- NHFDC has introduced a scheme, 'Divyangjan Swavalamban Yojana,' to support the differently-abled for entrepreneurship.
- The Department of Empowerment of Persons with Disabilities in the Ministry of Social Justice & Empowerment facilitates the empowerment of persons with disabilities through various schemes, awards, and grants

Following are the cases of a few differently-abled entrepreneurs who have risen above their struggles of disability:

Gamatics.in: Gamatics, a venture of Sharath M Gayakwad, a Paralympic swimmer, is the online portal that not only is a market place for high quality products and gears for swimmers but also is a platform for guidance and tips. Born with a deformed left hand, Sharath never allowed that to be an obstacle in his path.

Maa Ulaa: Mohammed Gaddafi' Maa Ulaa in Chennai is the first bike taxi service run by differently abled people. Gaddafi had lost his leg when he was 19 years old but that has never sopped him from his dreams. He is a PhD in History and teaches at Presidency College.

Raw Nature Company: Sangita Desai was born with a difficulty characterized by limb anomalies. Sangita has been a successful fashion designer. She started Raw Nature Company in Mumbai to offer botanical grooming solutions. Her products are cruelty free, vegan, and without artificialities.

Voice of Specially Abled People (VoSAP): Being crippled with polio at an early age, Pranav Desai of Ahmedabad, decided to use his personal and professional experience to empower the differently abled through his organisation, the Voice of Specially Abled People (VoSAP).

Antarnaad: Shailesh Sheth from Gujarat did not allow his polio to make him a victim, but turned into a social entrepreneur by creating Antarnaad , a platform for the differently abled to accomplish

Rural Entrepreneurship

Rural Entrepreneurship contributes majorly to the economic development of a nation. Rural Entrepreneurship has its roots in rural areas and has immense potential to drive various interventions to strengthen business, industry, and agriculture. In India, almost 65% of the population resides in rural areas, and their livelihood depends on agriculture, livestock, and other allied activities. An increase of entrepreneurship in these fields will nurture rural development that can be made possible through the growth of rural entrepreneurs, reducing poverty, unemployment, etc. Rural entrepreneurship also means rural industrialisation that will enhance the socio-economic development of the country. To elaborate, we can say that rural entrepreneurship is all about opening new enterprises that promote new products and services, opening new markets, and encouraging the use of technology in rural areas.

The needs for rural entrepreneurship can be summed up in the following points that assert rural entrepreneurship:

- Generates employment in the rural areas as it is mostly labour intensive
- Reduces migration of villagers from rural to urban areas
- The low migration reduces the generation of slums in urban areas
- Reduces income disparity between urban and rural areas
- Fosters regional development as it stimulates different economic activities
- Protects and promotes heritage in the form of art, culture, creativity

The different types of rural entrepreneurship include:

1. Agro-Based Enterprises that involve direct selling or processing of agriculture products
2. Forest-Based Industries that deal with the supply of wood or wood products, the coir industry, honey making, bamboo products, minor forest products, etc
3. Mineral Based Industries including cement industry, stone crushing, wall coating powders, etc
4. Textile Industry, which involves weaving, spinning, tie and dye, bleaching of textile
5. Handicrafts, items made of wood, bamboo, glass, jute, soil, etc
6. Engineering Services, which include tools and equipment used in agriculture such as tractors, pumps, pipes and fittings, repairs, etc

Rural entrepreneurship can be developed and strengthened, if there is an adequate supply of raw material. Apart from that availability of funds, grants, loans at reasonable rates will make the path smooth. Technology support and the development of platforms for marketing and selling will also strengthen rural entrepreneurship. Awareness training, capacity building, and

the spread of relevant education will bridge the gap and make rural entrepreneurship a powerful tool for socio-economic improvement and growth.

Rural Entrepreneurship Development Programme

The rural population constitutes a significant segment of India, and hence, the key to India's socio-economic growth lies in rural development. Poverty and unemployment appear to be the major obstacle in the path of rural development. Considering entrepreneurship as the essential input for economic development by alleviating poverty and unemployment, EDII-Ahmedabad planned strategic and sequential REDPs. EDII contributed by institutionalising rural entrepreneurship through implementing Rural Entrepreneurship Development Programmes (REDPs), using training as a strategy that has yielded positive results. The support for conducting these training programmes came from a number of prominent national-level financial institutions like the National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI), Rashtriya Grameen Vikas Nidhi (RGVN), and the Ford Foundation.

Apart from this, the Start-up Village Entrepreneurship Programme (SVEP), which is run under Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM), is a forward-looking initiative by the Ministry of Rural Development, Government of India. The SVEP is being implemented by two National Resources Organisations, viz. EDII-Ahmedabad and Kudumbshree. By 2020, EDII has implemented SVEP programmes in 68 blocks of 14 states, fostering 665 trained cadres of Community Resource Person-Enterprise Promotion, who provide services to 42657 rural entrepreneurs of around 41182 enterprises. Since 2016, Kudumbashree, another National Resource Organisation for SVEP, has implemented this programme in Kerala, Jharkhand, Rajasthan, Bihar, Chhattisgarh, Uttar Pradesh, Madhya Pradesh, and Andhra Pradesh. [For more details: <https://www.ediindia.org/Doc/SVEP-Brochure.pdf>].

Examples of Innovation by Rural Entrepreneurs:

1. Rai Singh Dahiya's efficient biomass gasifier

Raj Singh Dahiya helped his parents on their farms by weeding and watering plants in rural India. He did not go to regular school but was a good learner, and he was a regular listener of BBC radio for Science called Gyan-Vigyan. he understood the language of machines.

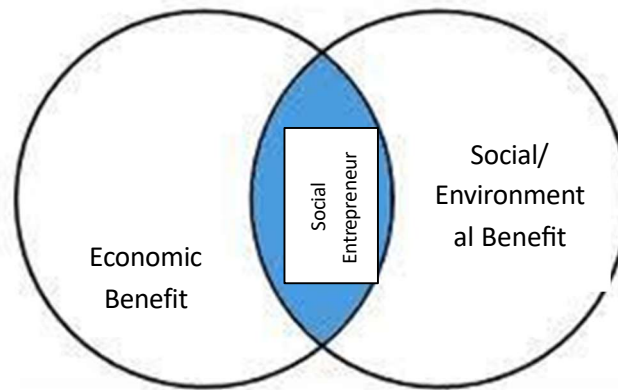
In 1982, he started a brick kiln in which bricks are baked by burning the agriculture waste. He noticed that burning of biowaste in the kiln was producing gas. When fuel prices were going high Dahiya felt that he must find some cheaper alternative to fuel. After years of experimenting, in 2001, he succeeded in running a diesel engine on biofuel by converting biomass into producer gas.

In 2001, NIF scouted him and provided commercialization support. He has sold several units of varied capacity and the latest version of the biomass gasifier is made of steel.

2. Mansukhbhai Jagani's Bullet Shanti

Due to drought and dry farmland, and shortage of cattle fodder Mansukhbhai Jagani of Amreli could not afford to use cattle for tilling his 20 bighas of land. With no money and bullocks, he was forced to think of an alternative. He borrowed his friend's Royal Enfield Bullet motorcycle and created ploughing attachments to fit in it. Replacing the rear wheels with two smaller wheels he attached a

6.3 Social Entrepreneurship



You have come across the term ‘social entrepreneurship in this unit before. Let us learn the concept in detail. It is an approach in which individuals/groups develop and find a solution to social, environmental, cultural issues through enterprise options. Many times, we ignore social/environmental/cultural problems with the assumption that these belong to the domain of the Government. It is believed that the Government, union or provincial, will appropriately address many such problems we are encountering in our daily life.

However, a proactive individual might think of addressing these issues through the enterprise option. Therefore, he or she establishes an enterprise that directly addresses some of the pressing problems of society, community, or environment. Social Entrepreneurship revolves around the idea of *Social Value Creation and Innovation*. Innovation is needed to address the inherent problems of society and create value in the end.

Thus “ Social Entrepreneurship” encompasses the activities and processes undertaken to discover, define, and use opportunities in order to enhance social wealth by creating new ventures or innovatively managing existing organization” (Zahra et al. 2008, p.118). Mair and Marti defined Social Entrepreneurship as a “...process involving the innovative use and combination of resources to pursue opportunities to catalyze social change and/or address social needs” (Mair and Marti, 2006, p.37).

Who is a Social Entrepreneur?

A social entrepreneur is sensitive towards social, economic, technological, environmental, and other problems and applies entrepreneurial acumen to solve them by creating and managing a venture to fulfill these social motives over and above profit-making. Thus, a social entrepreneur creates value for the society/community/ environment and generates income. In the process of value creation, a social entrepreneur always thinks about positive *returns to society*. For doing that, he/she needs to be innovative, unique, and possess a sound understanding of the issues confronted by society, community, and environment.

Social entrepreneurs strive to bridge the gap between social needs and existing services. In

order to bridge this gap, they apply entrepreneurial skills and innovation to find solutions as well as business opportunities based on these solutions to the existing social problems. In such endeavors, they might propagate methods to solve social problems like eradicating polio or creating wealth from waste, reducing carbon emission and global warming, promoting afforestation, working on health and nutrition issues, etc. In simple terms, a Social Entrepreneur applies business principles to solve social problems.

Opportunities for Social Entrepreneur

Enterprising individuals like to work on many of the society/ community/ environment problems today. They convert these problems into enterprise options by creating value for the customers. Some of the social and environmental problems which eventually turn out to be a seedbed for entrepreneurship are as under,

- **Environmental Protection:** Due to rapid industrialization, industrial pollution is increasing day by day. Industrial effluents are causing serious damage to the environment and the ecosystem. Therefore, a social entrepreneur might address some of these issues through the creation of a venture for converting waste to wealth, plastic recycling, effluent treatment, etc.
- **Carbon emission and global warming:** Because of the unregulated burning of fossil fuels, coal, and other natural resources, the environment is getting increasingly polluted through carbon dioxide emissions. This has caused global warming and the rapture of the ozone layer. Promoting renewable energy, adopting energy efficiency technologies would reduce the possibilities of carbon emission and global warming.
- **Forestation and ecological balance:** Due to the enlargement of the city and industrial expansion, deforestation is happening across the length and breadth of the country. Our

forest reserves are getting depleted, and a social entrepreneur might convert this as an appropriate business opportunity and get engaged in forestation and natural resources preservation activity.

- Safety and security of the society and community: Many of the problems of the community and society emanate due to erosion of the value system, lack of proper upbringing, and unemployment issues. Some social entrepreneurs are working on these issues through appropriate engagement with the local community and society and channelizing resources of the youth for productive purposes.
- Education: Though access to education is one of the fundamental rights of human beings, one can argue about the quality of education, especially the education system prevalent in remote and far-flung areas. The availability of teachers and quality of education is a matter of serious introspection, and there is a lot of scope for improvement. Some of the social entrepreneurs are working to provide access to quality educations for the masses.
- Social justice: As indicated earlier, many problems of society and community can be addressed through entrepreneurship. Many social entrepreneurs in the country are working on the agenda of justice for the community. They are relentlessly working to eradicate such problems as human trafficking, early marriage, consumption of drugs and narcotic substances, etc.
- Presentation of art, culture, and tradition: Many of our ancient art and culture forms are getting extinct due to the inability to find a suitable and sustainable market. Lack of demand for these products and services is affecting the livelihood of scores of artisans. Given the drawbacks, the younger generation has started losing interest in pursuing these art forms as their career. A social entrepreneur would be interested in working on the agenda of ensuring sustainability and preserving the art and culture of a region.

Examples of Social Entrepreneurship

India has witnessed several social entrepreneurship funds, like *United India* and *Aavishkaar*. The organization called Shop for Change aims to address the difficulties the marginalized artisans face in market reachability by enabling rural artisans to reach fair trade certification. Similarly, *Chetna Organic Cooperative* seeks to enable ethical supply chains that benefit the lives and livelihood of small farmers. On the same lines, the *Foundation for Inclusion Growth*, founded by Nachiket Mor, has created a banking and business services platform for India's underserved.

Child labour is a major problem in some industries. The mission of Kailash Satyarthi's RugMark was to stop child labour in the carpet industry. While analysing the situation, he recognized the problem of

enslaved children in rug-weaving. RugMark created a certification program and a public campaign designed to educate consumers on child labour in the carpet industry. RugMark created value-added services to eradicate the problem of child labour and also provided economic subsistence to the business. For a customer, whenever they would buy a carpet with RugMark label, it would mean that the carpet they have bought is not made by any child or in any unfair labor conditions. Thus, consumer education by RugMark has helped in transforming the entire carpet-weaving industry, which was predominantly using child labour practices.

Grameen Bank, started by Prof. Muhammad Yunus, an economist, and Nobel Laureate of Bangladesh, is another classic example of social entrepreneurship. He identified that there were limited options for securing even very small funds for credit by the poor people in Bangladesh. They were unable to access funds through the formal banking system due to a number of reasons. As a result, they were at the mercy of the money lenders charging them exorbitant rates of interest, which led to a vicious cycle of poverty and hardships for them.

Prof. Yunus believed that even a small amount of funds could create an impact in this situation. Therefore, as a remedy for this situation, he lent a sum of \$27 from his own pocket to each of the 42 women in the village of Jobra for starting a micro business. In fact, all the women who took a loan from him had repaid the entire loan based on income generated through the business, which fulfilled Prof. Yunus's assumption that even with a small amount, one can generate income. For example, a sewing machine bought from the loan amount could result in tailoring services, leading to an earning sufficient to return the loan and create a better quality of life for her family. Subsequently, the Grameen Bank was formed on a sustainable model, in which the bank charges interest on its loans and then reutilizes the same capital to help other women. His inspiration, creativity, and action led to a huge microcredit movement in Bangladesh that later traveled to other parts of the globe and established microcredit as an industry.

Social enterprises are often confused with Non-Governmental Organisations (NGOs). The main difference between a social enterprise and NGO lies in the revenue model. Whereas NGOs rely primarily on charitable contributions and public funding, social enterprises aim to generate enough revenue to sustain themselves financially. Following are a few NGOs that made a difference in society.

Goonj is an NGO in India that works for community development and other humanitarian activities such as disaster relief. The reach out to people in need across 23 states in India and their contribution to support people during COVID 19 Pandemic has been noteworthy.

Urvashi Sahni, the founder, and CEO of SHEF (Study Hall Education Foundation), is noteworthy in this context. Her organisation is dedicated to offering education to the most disadvantaged girls in India.

Sushmita Ghosh is the founder of Ashoka Changemakers, an open-ended platform for social innovation. Sushmita aims to recover and recognise the craftsmanship and talent unharnessed in rural India.